

EXHIBIT A

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

SECURITIES AND EXCHANGE COMMISSION,
Plaintiff,

v.

RIPPLE LABS, INC., BRADLEY GARLINGHOUSE, and
CHRISTIAN A. LARSON,
Defendants,

and

JORDAN DEATON, JAMES LAMONTE,
TYLER LAMONTE, MYA LAMONTE,
MITCHELL MCKENNA, KRISTIANA WARNER and
ALL SIMILARLY SITUATED XRP HOLDERS,
Intervenor-Defendants.

20-cv-10832 (AT) (SN)

**PROPOSED INTERVENOR-DEFENDANTS' ANSWER TO PLAINTIFF'S FIRST
AMENDED COMPLAINT**

Intervenor-Defendants, Jordan Deaton, James Lamonte, Tyler Lamonte, Mya Lamonte, Mitchell Mckenna, Kristiana Warner and all other similarly situated XRP Holders (hereinafter referred to as "XRP Holders"), by and through their undersigned counsel answer and assert affirmative defenses to Plaintiff U.S. Securities and Exchange Commission's (hereinafter referred to as "SEC") First Amended Complaint (hereinafter referred to as "the Complaint") and reserves the right to request a dismissal of the Complaint on any and all grounds. Unless expressly admitted, all allegations set forth in the Complaint are denied.

PRELIMINARY STATEMENT

1. The Complaint filed by the SEC is a bewildering attempt to regulate XRP itself, as a security. Rather than limit the allegations to Defendants' specific sales and distributions of investment contracts, the SEC repeatedly claims XRP to be a security *per se*. The SEC

describes XRP as a “digital asset security” which offers the proposition that *all* XRP constitute unregistered securities, including XRP owned and utilized by XRP Holders who have no connection to the Defendants.

2. XRP is not inherently an investment contract. Like other digital assets, such as Bitcoin and Ether, XRP could be marketed and sold in investment contracts as part of “schemes devised by those who seek the use of the money of others on the promise of profits.” *SEC v. W.J. Howey Co.*, 328 U.S. 293, 299 (1946). However, there is no way the “nature of XRP itself,” is a security. Not only is this absurd allegation a departure from *Howey* but it’s also a direct contradiction of the recent case, *SEC v Telegram Grp., Inc. et al.*, where the court concluded “the security in this case is not simply the Gram, which is little more than alphanumeric cryptographic sequence.” 448 F. Supp 3d. 352, 379. The Court crystalized this finding even further in his second opinion and order wherein it holds:

“[Telegram] misses one of the central points of the Court’s Opinion and Order, specifically, that the ‘security’ was neither the Gram Purchase Agreement **nor the Gram** but the entire scheme that comprised the Gram Purchase Agreements and the accompanying understandings and undertakings made by Telegram, including the expectation and intention that the Initial Purchasers would distribute Grams into a secondary public market.”

(*SEC v Tel. Group, Inc.*, 2020 US Dist WL 1547383 at *1 [SDNY Apr. 1, 2020, No. 19-cv-9439 (PKC)])

3. The SEC is the only entity to make such bold claims against XRP itself. In fact, in 2015 and 2020, the U.S. Department of Justice (“DOJ”) and the Financial Crimes Enforcement Network (“FinCEN”) determined XRP to be a virtual currency lawfully traded and utilized in the marketplace. Former SEC Chief Joseph Grundfest authored a letter (prior to the filing of this action) addressed to former SEC Chairman Jay Clayton stating that

the SEC should not consider XRP any different than Ether.¹ Former Commodity Futures Trading Commission Chairman Chris Giancarlo authored an op-ed stating that XRP is more like an alternative currency than a security and should have the same legal status as Bitcoin or Ether.² Six-months later, Clayton directed the SEC to file decided the case against the Defendants and XRP. Regulators in the United Kingdom, Singapore and Japan, however, have agreed with DOJ and FinCEN and declared XRP as virtual currency that is not subject to securities regulation. The United Kingdom Treasury recently explained “widely known crypto assets such as Bitcoin, Ether and XRP” are “exchange tokens” that “are primarily used as a means of exchange.”³

4. The SEC further alleges that XRP Holders entered into a common enterprise with Defendant Ripple and all other market-makers, intermediaries, developers, small businesses and “all other XRP holders” from which XRP Holders may have purchased XRP. XRP Holders are comprised of many different individuals, developers, businesses and entities, many of which had never even heard of the Defendants prior to purchasing, acquiring and/or utilizing XRP and certainly did not and do not rely on the efforts, strategies or statements of the Defendants or any other market participant, as promises of profits. Rather from 2013 to present, XRP Holders have been utilizing XRP and the XRP Ledger (hereinafter referred to as “XRPL”) for multiple purposes, creating value and utility for XRP. Undoubtedly, some XRP Holders purchased XRP for the purposes of

¹ <https://www.theblockcrypto.com/linked/89164/former-sec-commissioner-says-ripple-lawsuit-will-cause-multi-billion-dollar-losses-to-innocent-third-parties>.

² <https://www.nasdaq.com/articles/former-cftc-chair-giancarlo-lays-out-why-he-thinks-xrp-isnt-a-security-2020-06-17>.

³ HM Treasury, UK regulatory approach to cryptoassets and stablecoins: Consultation and call for evidence (Jan. 2021), https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/950206/HM_Treasury_Cryptoasset_and_Stablecoin_consultation.pdf.

speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and millions of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Some XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Some XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States and Mexico, Europe, the Philippines, Thailand, and other foreign countries. Furthermore, the price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether, regardless of any efforts, strategies or statements by the Defendants.

5. XRP Holders are individuals, organizations, and businesses that purchased, acquired, or utilized XRP prior to the commencement of this action.
6. The SEC knew its poorly pleaded attack on XRP would cause incredible harm to the very people it is supposed to protect.⁴ It pressed forward anyway, causing over \$15 billion in losses to XRP Holders.⁵

⁴ <https://www.theblockcrypto.com/linked/89164/former-sec-commissioner-says-ripple-lawsuit-will-cause-multi-billion-dollar-losses-to-innocent-third-parties>.

⁵ <https://www.cryptopolitan.com/xrp-holders-suffer-15-billion/>.

7. Just as Grundfest predicted, this enforcement action has caused multi-billions in losses to XRP Holders as most U.S. exchanges either delisted or suspended trading of XRP out of fear of running afoul of the SEC's determination that XRP itself, constitutes unregistered securities.⁶ Hundreds of thousands of XRP Holders own and/or hold XRP on Coinbase the largest Cryptocurrency Exchange in the United States. XRP Holders cannot trade their XRP on Coinbase and receive a notification that reads: "In light of the SEC's action against Ripple Labs, Inc., trading in XRP has been suspended as of January 19, 2021." The same or similar notice is provided to XRP Holders by almost every other exchange doing business in the United States.

RESPONSES TO PLAINTIFF'S ALLEGATIONS

1. The allegations in paragraph one is legal conclusions to which no response is required. To the extent any response is necessary, XRP Holders deny the allegations as stated. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. However, by labelling XRP itself as a "digital asset security," the SEC is alleging that all XRP, including the XRP held and utilized by XRP Holders, constitute unregistered securities and that allegation is denied.
2. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph two. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting

⁶ <https://blockchain.news/news/list-crypto-exchanges-delist-xrp-grows-bitstamp-halts-xrp-trading>

transactions on the Decentralized Exchange (“DEX”), trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

3. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph three. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. However, by labelling XRP itself as a “digital asset security” the SEC is alleging that all XRP, including the XRP held and utilized by XRP Holders, constitute unregistered securities. Irrespective of any of the Defendants’ efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.
4. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph four. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. However, by labelling XRP itself as a “digital asset security” the SEC is alleging that all XRP, including the XRP held and utilized by

XRP Holders, constitute unregistered securities. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

5. The allegations in paragraph five are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders lack sufficient information to either admit or deny the allegations. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

6. The allegations in paragraph six are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders lack sufficient information to either admit or deny the allegations. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

7. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph seven. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

8. The allegations in paragraph eight are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders lack sufficient information to either admit or deny the allegations. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

9. XRP Holders deny the allegations as stated in paragraph nine. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. However, by labelling XRP itself as a "digital asset security" the SEC is alleging that all XRP, including the XRP held and utilized by XRP Holders constitute unregistered securities. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets

to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

10. The allegations in paragraph ten are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations as stated. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. However, by labelling XRP itself as a “digital asset security” the SEC is alleging that all XRP, including the XRP held and utilized by XRP Holders, constitute unregistered securities. Irrespective of any of the Defendants’ efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

11. The allegations in paragraph 11 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations. XRP Holders contend that the Commission does not have jurisdiction over XRP Holders’ property interest in the digital asset XRP. XRP itself, like Bitcoin and

Ether, is a commodity and would be subject to the jurisdiction of Commodities Future Trade Commission (CFTC), not the SEC.

12. The allegations in paragraph 12 describe Plaintiff's prayer for relief as to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations. XRP Holders contend that the Commission does not have jurisdiction over XRP Holders' property interest in the digital asset XRP. XRP itself, like Bitcoin and Ether, is a commodity and would be subject to the jurisdiction of Commodities Future Trade Commission (CFTC), not the SEC.
13. The allegations in paragraph 13 are legal conclusions to which no response is required. To the extent that an answer is necessary, XRP Holders admit that this Court has jurisdiction over this matter.
14. The allegations in paragraph 14 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders lack sufficient information to either admit or deny the allegations.
15. The allegations in paragraph 15 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders lack sufficient information to either admit or deny the allegations.
16. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 16.
17. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 17.
18. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 18.

19. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 19. XRP Holders are aware that XRP was declared a virtual currency by FinCEN.
20. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 20.
21. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 21.
22. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 22.
23. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 23.
24. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 24.
25. The allegations in paragraph 25 are legal conclusions to which no response is required. To the extent any response is necessary, XRP Holders refer the Court to provisions of the Securities and Exchange Act, codified at 15 U.S.C. § 77a *et seq.* and its relevant implementing regulations.
26. The allegations in paragraph 26 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations. Irrespective of the requirements of the Securities Act provisions, those provisions are inapplicable to XRP Holders.
27. The allegations in paragraph 27 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the

allegations. Irrespective of the requirements of the Securities Act provisions, those provisions are inapplicable to XRP Holders.

28. The allegations in paragraph 28 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations. Irrespective of the requirements of the Securities Act provisions, those provisions are inapplicable to XRP Holders.

29. The allegations in paragraph 29 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations. Irrespective of the requirements of the Securities Act provisions, those provisions are inapplicable to XRP Holders.

30. The allegations in paragraph 30 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations. Irrespective of the requirements of the Securities Act provisions, those provisions are inapplicable to XRP Holders.

31. The allegations in paragraph 31 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders respectfully refer the Court to the case *SEC v. W.J. Howey Co.*, 328 U.S. 293 (1946), for its true and accurate contents. In *Howey*, the court concluded the totality of circumstances that comprised the scheme of selling the tracks of land and service contracts constituted the security. *Howey* 328 U.S. at 299-300. Here, the SEC has labelled XRP as a “digital asset security” thereby alleging that the token itself, is a security. Claiming XRP itself is a security is akin to claiming the oranges in *Howey* were securities. This allegation is not only a departure from *Howey* but is in direct contradiction to the recent case,

SEC v Telegram Grp., Inc. et al., where the court concluded “the security in this case is not simply the Gram, which is little more than alphanumeric cryptographic sequence.” 448 F. Supp 3d. 352, 379. The Court crystalized this finding even further in his second opinion and order wherein it holds:

“[Telegram] misses one of the central points of the Court’s Opinion and Order, specifically, that the ‘security’ was neither the Gram Purchase Agreement nor the Gram but the entire scheme that comprised the Gram Purchase Agreements and the accompanying understandings and undertakings made by Telegram, including the expectation and intention that the Initial Purchasers would distribute Grams into a secondary public market.”

(SEC v Tel. Group, Inc., 2020 US Dist WL 1547383 at *1 [SDNY Apr. 1, 2020, No. 19-cv-9439 (PKC)]

32. XRP Holders deny the allegations as stated in paragraph 32, except admitting that many assets can be transferred and/or exchanged and/or converted utilizing distributed ledger or blockchain technology. Some of those assets, such as, Bitcoin, Ether, and XRP have been described as cryptocurrencies and/or virtual currencies.

33. XRP Holders deny the allegations as stated in paragraph 33, except admitting that a blockchain or distributed ledger is a decentralized peer-to-peer database spread across a network of computers that publicly and permanently records all transactions in theoretically unchangeable, digitally recorded data packages and relies on cryptographic techniques to securely record transactions.

34. XRP Holders deny the allegations as stated in paragraph 34, except admitting that blockchains typically use a mechanism to validate transactions, which, among other things, aims to achieve agreement among all participants on the contents of the ledger.
35. XRP Holders deny the allegations as stated in paragraph 35, except admit that digital assets may be traded on certain trading platforms in exchange for other digital assets or fiat currency (generally understood to be a specific type of currency that is legal tender issued by a country), at times by being allocated to the platform's customer's accounts in the platform's internal records (sometimes referred to as an "off-chain" transaction) without necessarily being transferred from one blockchain address to another. This is sometimes referred to as an "on-chain" transaction.
36. XRP Holders deny the allegations in paragraph 36, except admitting that some digital assets are "native" to a particular blockchain. Digital assets that are native to their blockchains may serve a number of technical functions on a distributed ledger, such as helping secure the ledger from manipulation or other forms of attack. Like some other digital assets, a digital asset that is native to its own blockchain may in some cases be sold or traded as consideration for goods, services, other digital assets, and fiat currency for a variety of purposes.
37. XRP Holders deny the allegations in paragraph 37, to the extent purports to quote, characterize, or summarize a report by the SEC. The document speaks for itself, and XRP Holders respectfully refer the Court to the full text of the document for an accurate and complete record of its contents.
38. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 38.

39. XRP Holders admit that the XRP Ledger records transactions and is powered by a decentralized network of peer-to-peer servers that is not controlled or owned by any one party, including Ripple, and otherwise deny the allegations in paragraph 39. The XRP ledger uses a consensus protocol that relies on a majority of validators to record and verify transactions without incentivizing any one party. Today, there are over 150 validators that operate at locations across the globe and are run by a range of individuals, universities, institutions, exchanges and more. For consensus to be on the network, at least 80% of the validators must agree. Ripple controls less than 4% of all validators which gives them no power whatsoever on the XRPL. Put simply, the XRPL is based on an inherently decentralized democratic consensus mechanism, which no one party can control.

40. XRP Holders admit that the XRP Ledger uses a consensus protocol. XRP Holders further admit that during consensus each server evaluates proposals from a specific set of trusted validators, or Unique Node List (“UNL”). Anyone can run a node or validator; and users are free to use any UNL they prefer. XRP Holders further admit that Ripple publishes a UNL that validators may choose to adopt, but they are not required to do so. XRP Holders otherwise deny the remaining allegations in paragraph 40. Those who operate validators do so because they have a demonstrated interest in the long-term health of the network. For example, some XRP Holders rely on XRP for their business operations and thus, stand to benefit from the continued reliable, stability and performance of the XRPL. The rationale for running a validator is exactly similar to why someone would run a node on the Bitcoin network. By contributing to the ecosystem, one hopes it will continue to thrive and grow.

41. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 41 related to the percentage of the nodes validating transactions on the XRPL that are operated by organizations or entities in the United States. XRP Holders admit that, upon information and belief, Ripple manages less than 4% of all validators on the XRPL. Therefore, XRP Holders do not rely on the managerial efforts of Ripple on the XRPL, but rather rely on fellow XRP Holders. Those who operate validators do so because they have a demonstrated interest in the long-term health of the network. For example, some XRP holders rely on XRP for their business operations and thus, stand to benefit from the continued reliable, stability and performance of the XRPL. The rationale for running a validator is exactly similar to why someone would run a node on the Bitcoin network. By contributing to the ecosystem, one hopes it will continue to thrive and grow.
42. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 42.
43. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 43.
44. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 44.
45. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 45.
46. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 46.

47. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 47.
48. XRP Holders admit the allegation in paragraph 48 that XRP is the native digital asset on the XRPL.
49. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 49.
50. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 50.
51. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 51.
52. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 52.
53. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 53.
54. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 54.
55. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 55.
56. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 56.
57. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 57.

58. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 58.
59. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 59.
60. The allegations in paragraph 60 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations. Irrespective of the requirements of the Securities Act provisions, those provisions are inapplicable to XRP Holders.
61. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 61.
62. XRP Holders deny the allegations as stated in paragraph 62. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.
63. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 63.

64. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 64.
65. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 65.
66. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 66. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes including but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.
67. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 67. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring

those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

68. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 68. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

69. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 69. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

70. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 70.

71. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 71. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

72. The allegation in paragraph 72 are legal conclusions to which no response is required. To the extent that a response is necessary. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 72 as it relates to specific offers and sales of XRP by Ripple but denies as applied to XRP Holders.

73. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 73 as it relates to specific offers and sales of XRP by Ripple, but denies the allegations as applied to XRP Holders.

74. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 74 as it relates to specific offers and sales of XRP by Ripple, but denies the allegations as applied to XRP Holders.
75. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 75 as it relates to specific offers and sales of XRP by Ripple, but denies the allegations as applied to XRP Holders.
76. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 76 as it relates to specific offers and sales of XRP by Ripple, but denies the allegations as applied to XRP Holders.
77. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 77 as it relates to specific offers and sales of XRP by Ripple, but denies the allegations as applied to XRP Holders.
78. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 78.
79. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 79.
80. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 80.
81. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 81.
82. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 82. Whatever information is publicly available related to the price of XRP

speaks for itself. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

83. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 83. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

84. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 84. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

85. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 85. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

86. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 86.

87. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 87.

88. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 88. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting

transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

89. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 89. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

90. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 90. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold

and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

91. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 91. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

92. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 92. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring

those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

93. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 93. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

94. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 94. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

95. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 95. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

96. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 96. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

97. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 97. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

98. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 98. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

99. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 99. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

100. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 100. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and

other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

101. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 101. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

102. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 102. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

103. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 103. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, the Philippines, Thailand, and other foreign countries. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 40. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

104. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 104. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, the Philippines, Thailand, and other foreign countries. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 40. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

105. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 105. Irrespective of any of the Defendants' efforts, strategies, and/or

statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

106. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 106. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. However, by labelling XRP itself as a “digital asset security” the SEC is alleging that all XRP, including the XRP held and utilized by XRP Holders, constitute unregistered securities. Irrespective of any of the Defendants’ efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

107. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 107. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

108. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 108. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

109. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 109. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

110. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 110. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

111. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 111. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

112. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 112. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

113. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 113. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

114. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 114. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

115. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 115. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

116. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 116. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

117. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 117. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

118. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 118. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

119. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 119. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, Europe, the Philippines, Thailand, and other foreign countries.

120. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 120. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

121. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 121. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

122. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 122. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

123. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 123. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

124. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 124. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

125. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 125. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

126. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 126. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

127. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 127. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

128. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 128. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

129. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 129. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

130. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 130. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

131. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 131. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

132. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 132. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

133. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 133. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

134. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 134. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. However, by labelling XRP itself as a "digital asset security" the SEC is alleging that all XRP, including the XRP held and utilized by XRP Holders, constitute unregistered securities. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and

utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

135. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 135. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. However, by labelling XRP itself as a “digital asset security” the SEC is alleging that all XRP, including the XRP held and utilized by XRP Holders, constitute unregistered securities. Irrespective of any of the Defendants’ efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

136. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 136. Irrespective of any of the Defendants’ efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold

and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

137. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 137. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

138. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 138. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring

those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

139. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 139. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. However, by labelling XRP itself as a “digital asset security” the SEC is alleging that all XRP, including the XRP held and utilized by XRP Holders, constitute unregistered securities. Irrespective of any of the Defendants’ efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

140. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 140. Irrespective of any of the Defendants’ efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting

transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

141. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 141. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

142. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 142. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold

and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

143. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 143. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

144. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 144. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring

those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

145. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 145. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

146. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 146. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

147. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 147. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

148. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 148. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. However, by labelling XRP itself as a "digital asset security" the SEC is alleging that all XRP, including the XRP held and utilized by XRP Holders, constitute unregistered securities. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies,

purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

149. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 149. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

150. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 150. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring

those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

151. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 151. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

152. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 152. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

153. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 153. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

154. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 154. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

155. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 155. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

156. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 156. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

157. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 157. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

158. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 158. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

159. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 159. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

160. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 160. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

161. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 161. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

162. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 162. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

163. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 163. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

164. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 164. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

165. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 165. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

166. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 166. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

167. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 167. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

168. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 168. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

169. The allegations in paragraph 169 are legal conclusions to which no response is required. To the extent a response is necessary, XRP Holders can neither admit or deny what any person or third-party did or did not know. However, XRP Holders did not have an expectation of profits based on the efforts or statements of the Defendants.

170. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 170. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. However, by labelling XRP itself as a “digital asset security” the SEC is alleging that all XRP, including the XRP held and utilized by XRP Holders, constitute unregistered securities. Irrespective of any of the Defendants’ efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

171. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 171.

172. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 172.
173. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 173.
174. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 174. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.
175. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 175.
176. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 176.
177. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 177.
178. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 178.

179. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 179.
180. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 180.
181. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 181.
182. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 182.
183. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 183.
184. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 184.
185. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 185.
186. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 186.
187. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 187.
188. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 188.
189. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 189.

190. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 190. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

191. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 191. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

192. XRP Holders deny the allegations in paragraph 192.

193. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 193. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

194. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 194. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and

other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

195. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 195. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

196. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 196. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

197. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 197. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, the Philippines, Thailand, and other foreign countries.

198. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 198. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and

other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

199. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 199. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

200. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 200. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

201. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 201. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

202. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 202. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes included but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

203. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 203. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

204. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 204. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring

those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

205. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 205. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

206. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 206. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold

and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

207. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 207. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

208. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 208. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting

transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

209. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 209. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

210. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 210. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to,

usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

211. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 211. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

212. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 212. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the

XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

213. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 213. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

214. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 214. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants

prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

215. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 215. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

216. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 216. Irrespective of any of the Defendants' efforts, strategies, and/or

statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

217. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 217. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

218. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 218. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

219. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 219. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and

other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

220. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 220. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

221. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 221. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

222. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 222. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

223. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 223. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

224. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 224. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

225. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 225. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and

other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

226. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 226. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

227. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 227. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and

other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

228. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 228. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

229. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 229. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and

other foreign countries. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

230. The allegations in paragraph 230 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders respectfully refer the Court to the case *SEC v. W.J. Howey Co.*, 328 U.S. 293 (1946), for its true and accurate contents. In *Howey*, the court concluded the totality of circumstances that comprised the scheme of selling the tracks of land and service contracts constituted the security. *Howey*, 328 U.S. at *297-98. Here, the SEC has labelled XRP as a “digital asset security” thereby alleging that the token itself, is a security. Claiming XRP itself is a security is akin to claiming the oranges in *Howey* were securities. This allegation is not only a departure from *Howey* but is in direct contradiction to the recent case, *SEC v Telegram Grp., Inc. et al.*, where the court concluded “the security in this case is not simply the Gram, which is little more than alphanumeric cryptographic sequence.” 448 F. Supp 3d. 352, 379. The Court crystalized this finding even further in his second opinion and order wherein it holds:

“[Telegram] misses one of the central points of the Court’s Opinion and Order, specifically, that the ‘security’ was neither the Gram Purchase Agreement **nor the Gram** but the entire scheme that comprised the Gram Purchase Agreements and the accompanying understandings and undertakings made by Telegram, including the expectation and intention that the Initial Purchasers would distribute Grams into a secondary public market.”

(*SEC v Tel. Group, Inc.*, 2020 US Dist WL 1547383 at *1 [SDNY Apr. 1, 2020, No. 19-cv-9439 (PKC)])

231. XRP Holders deny the allegations in paragraph 231. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. However, by labelling XRP itself as a “digital asset security” the SEC is alleging at all XRP, including the XRP held and utilized by XRP Holders, constitute unregistered

securities. Here, the SEC has labelled XRP as a “digital asset security” thereby alleging that the token itself, is a security. Claiming XRP itself is a security is akin to claiming the oranges in *Howey* were securities. This allegation is not only a departure from *Howey* but is in direct contradiction to the recent case, *SEC v Telegram Grp., Inc. et al.*, where the court concluded “the security in this case is not simply the Gram, which is little more than alphanumeric cryptographic sequence.” 448 F. Supp 3d. 352, 379. The Court crystalized this finding even further in his second opinion and order wherein it holds:

“[Telegram] misses one of the central points of the Court’s Opinion and Order, specifically, that the ‘security’ was neither the Gram Purchase Agreement **nor the Gram** but the entire scheme that comprised the Gram Purchase Agreements and the accompanying understandings and undertakings made by Telegram, including the expectation and intention that the Initial Purchasers would distribute Grams into a secondary public market.”

(*SEC v Tel. Group, Inc.*, 2020 US Dist WL 1547383 at *1 [SDNY Apr. 1, 2020, No. 19-cv-9439 (PKC)])

Irrespective of any of the Defendants’ efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

232. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 232. To the extent that any response is necessary, XRP Holders deny the

allegations as stated and, if such communications or statements were made by the Defendants, XRP Holders deny the truth and/or accuracy of such statements. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as, Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, the Philippines, Thailand, and other foreign countries.

233. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 233. To the extent that any response is necessary, XRP Holders deny the allegations as stated and, if such communications or statements were made by the Defendants, XRP Holders deny the truth and/or accuracy of such statements. XRP Holders are comprised of many different individuals, businesses and entities.

Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as, Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States and Mexico, Europe, the Philippines, Thailand, and other foreign countries.

234. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 234. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring

those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

235. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 235. To the extent that any response is necessary, XRP Holders deny the allegations as stated and, if such communications or statements were made by the Defendants, XRP Holders deny the truth and/or accuracy of such statements. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as, Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

236. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 236 as it pertains to whether the statement was made. However, XRP Holders deny the underlying statement that “the primary use case for XRP is speculative...” Because the XRPL is an open, permission-less, distributed ledger, Defendants are unaware of the multiple uses for which XRP Holders utilize XRP and XRPL. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP’s superior speed and lower cost to purchase and move other assets such as, Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

237. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 237 as it pertains to whether the statement was made however XRP Holders

deny the underlying statement that “the increase in XRP value is heavily dependent on the success of Ripple.” The XRP price has historically been tied to and correlated with the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants’ efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

238. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 238. The XRP price has historically been tied to and correlated with the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants’ efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and

utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

239. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 239. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

240. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 240. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

241. The allegations in paragraph 241 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations. XRP Holders never entered into a common enterprise with the Defendants. XRP Holders did not and do not rely on the efforts of Defendants with respect to XRP. In fact, many XRP Holders had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP.

242. The allegations in paragraph 242 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations. XRP Holders did not and do not rely on efforts of Defendants in respect to XRP. In fact, many XRP Holders had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP.

243. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 243. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and

other foreign countries. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen).

244. The allegations in paragraph 244 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations. XRP Holders did not and do not rely on efforts of Defendants in respect to XRP. In fact, many XRP Holders had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP.

245. The allegations in paragraph 245 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations. XRP Holders did not and do not rely on efforts of Defendants in respect to XRP. In fact, many XRP Holders had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP.

246. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 246. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

247. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 247. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

248. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 248. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

249. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 249. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

250. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 250. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

251. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 251. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

252. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 252. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

253. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 253. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

254. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 254. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

255. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 255. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

256. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 256. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

257. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 257. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

258. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 258. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

259. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 259. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

260. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 260. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

261. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 261. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

262. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 262. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes including but not limited to usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

263. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 263. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

264. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 264. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

265. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 265. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

266. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 266. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

267. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 267. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

268. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 268. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

269. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 269. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

270. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 270. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

271. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 271. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

272. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 272. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

273. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 273. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

274. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 274. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

275. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 275. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

276. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 276. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

277. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 277. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

278. To the extent paragraph 278 purports to quote, characterize, or summarize statements from a video of a December 14, 2017 interview of Mr. Garlinghouse posted on the Bloomberg News website, the video speaks for itself and XRP Holders respectfully refer the Court to the full video for accurate and complete record of its contents. However, XRP Holders deny the underlying implication that the price of XRP is correlated to Defendants' efforts or strategies. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

279. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 279. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions

on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

280. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 280. XRP Holders are comprised of many different individuals, businesses, and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment, just as they had purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target, and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment, but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil, and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

281. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 246. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

282. XRP Holders deny the allegations as stated in paragraph 282. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets

such as, Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States and Mexico, Europe, the Philippines, Thailand and other foreign countries.

283. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 283.

284. XRP Holders deny the allegations in paragraph 284. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as, Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

285. XRP Holders deny the allegations in paragraph 285. The XRP ledger uses a consensus protocol that relies on a majority of validators to record and verify transactions without incentivizing any one party. Today, there are over 150 validators that operate at locations across the globe and are run by a range of individuals, universities, institutions, exchanges and more. For consensus to be on the network, at least 80% of the validators must agree. Ripple controls less than 4% of all validators which gives them no power whatsoever on the XRPL. Put simply, the XRPL is based on an inherently decentralized democratic consensus mechanism-which no one party can control. Those who operate validators do so because they have a demonstrated interest in the long-term health of the network. For example, some XRP holders rely on XRP for their business operations and thus stand to benefit from the continued reliably, stability and performance of the XRPL. The rationale for running a validator is exactly similar to why someone would run a node on the Bitcoin network; by contributing to the ecosystem, one hopes it will continue to thrive and grow. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and millions of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil

and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as bitcoin and ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries. Contrary to allegations in paragraph 285, some XRP Holders do acquire the technical knowledge required to utilize the XRPL for personal and business-related purposes. In fact, the XRPL has a user-friendly toolkit that helps users obtain the necessary knowledge and skill to utilize XRP and XRPL to help grow the XRP ecosystem.

286. XRP Holders deny the allegations in paragraph 286. Contrary to the allegations, many XRP Holders have made entrepreneurial efforts to develop businesses and use cases for XRP that were unknown to the Defendants. Since 2013, these independent entrepreneurial efforts have helped grow the XRP ecosystem. As to price, the price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether, regardless of any efforts, strategies or statements by the Defendants.

287. XRP Holders deny the allegations as stated in paragraph 287. XRP Holders lack sufficient information as to how Defendants utilize their funds, however XRP Holders engaged in entrepreneurial efforts utilizing XRP and XRPL have complete discretion in how to spend their funds.

288. XRP Holders deny the allegations as stated in paragraph 288. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

289. XRP Holders deny the allegations as stated in paragraph 289. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

290. XRP Holders deny the allegations in paragraph 290.

291. XRP Holders deny the allegations in paragraph 291. The price of XRP has historically been tied to and correlated with the price of the two larger

cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, the Philippines, Thailand, and other foreign countries.

292. XRP Holders deny the allegations in paragraph 292. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

293. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 293 as to how the Defendants managed their funds. However, XRP Holders deny the remaining allegations. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. By describing the “nature of XRP itself” as a “digital asset security”, the SEC is alleging that all XRP, including the XRP held and utilized by XRP Holders, constitute unregistered securities and that allegation is denied.

294. XRP Holders deny the allegations in paragraph 294. Irrespective of any of the Defendants’ efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

295. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 295. Irrespective of any of the Defendants’ efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting

transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

296. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 296. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

297. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 297. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold

and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

298. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 298. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

299. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 299. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring

those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

300. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 300. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, the Philippines, Thailand, and other foreign countries.

301. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 301. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

302. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 302. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

303. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 303. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such

as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

304. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 304. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

305. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 305. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such

as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

306. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 306. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

307. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 307. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

308. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 308. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

309. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 309. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

310. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 310. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

311. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 311. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border

payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

312. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 312. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

313. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 313 regarding statements contained within the legal memos. However, XRP Holders deny the implication in the underlying statement that XRP is distinguishable from Bitcoin. Many XRP Holders are also holders of Bitcoin (and Ether) and acquired them all for both investment purposes and consumptive use. There are only two primary distinguishing factors between XRP and Bitcoin (and Ether): (1) XRP is much faster and cheaper and therefore has more utility for consumption than Bitcoin or Ether; and (2) the SEC has publicly stated that Bitcoin and Ether are non-securities.

314. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 314 related to the contents of any internal emails. However, XRP Holders

deny the underlying implications that the XRPL was equally susceptible to a “51% attack.” In fact, XRP Holders contend that since 80% of Bitcoin and Ether mining are conducted within China. The XRPL is both more decentralized and secure from attack than both the Bitcoin and Ether networks.

315. XRP Holders deny the allegations in paragraph 315. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants’ efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

316. XRP Holders deny the allegations in paragraph 316. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants’ efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting

transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

317. XRP Holders deny the allegations in paragraph 317. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

318. XRP Holders deny the allegations in paragraph 318. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited

to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

319. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 319. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

320. XRP Holders deny the allegations in paragraph 320. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP

and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

321. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 321. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

322. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 322. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the

XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

323. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 323. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

324. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 324. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but not limited to, usage as

a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

325. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 325. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

326. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 326. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to,

usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

327. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 327. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

328. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 328. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting

transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

329. XRP Holders deny the allegations in paragraph 329. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

330. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 330. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes

include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

331. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 331. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

332. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 332. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to,

usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

333. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 333. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

334. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 334. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP,

have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

335. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 335 related to the contents of the Markets Report. However, XRP Holders deny the underlying statement that XRP’s price “at times, overwhelming independent” from that of Bitcoin and Ether. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether.

336. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 336. Irrespective of any of the Defendants’ efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

337. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 337. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, bitcoin and ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

338. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 338. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets,

and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

339. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 339. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

340. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 340. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets,

and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

341. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 341. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

342. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 342. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such

as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

343. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 343. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

344. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 344. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of

other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as, Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

345. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 345. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

346. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 346. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

347. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 347. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets,

and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

348. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 348. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

349. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 349 as to the contents of the interview. However, XRP Holders deny the allegation that XRP was a good investment "presumably from Ripple's efforts."

350. XRP Holders deny the allegations in paragraph 350. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses.

Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize nonfungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as, Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

351. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 351. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

352. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 352 as to the contents of the email. However, XRP Holders deny the categorization of “speculative investment in XRP.” XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize nonfungible tokens. Some XRP Holders utilize XRP’s superior speed and lower cost to purchase and move other assets such as Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

353. XRP Holders deny the allegations in paragraph 353. XRP is simply an alphanumeric cryptographic sequence and is not inherently an investment contract. By describing the “nature of XRP itself” as a “digital asset security”, the SEC is alleging that all XRP,

including the XRP held and utilized by XRP Holders, constitutes unregistered securities and that allegation is denied.

354. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 354 related to trading volume limitations. XRP Holders admit that XRP, like Bitcoin and Ether, have been openly transferrable and tradable to the general public for at least the last seven years.

355. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 355 related to any sales made by Ripple. However, XRP Holders deny the allegations as they pertain to XRP Holders.

356. XRP Holders deny the allegations in paragraph 356. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize nonfungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as, Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange

to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

357. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 357. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, the Philippines, Thailand, and other foreign countries.

358. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 358. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing

content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as bitcoin and ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

359. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 359. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

360. XRP Holders deny the allegations in the first sentence of paragraph 360, except admitting that ODL effects cross-border payments by converting fiat currency in the sender jurisdiction into XRP, transferring XRP to the destination jurisdiction, and then converting XRP to fiat currency in the destination jurisdiction. XRP Holders deny the

allegations in the second sentence of paragraph 360, except admitting that ODL transactions can take ninety seconds or less.

361. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 361 as to Ripple's intended purpose for ODL. However, XRP Holders have used ODL for individual use.

362. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 362 related to the contents of the interview. The video of a June 21, 2018 interview of Mr. Garlinghouse at a CB Insights Conference speaks for itself. However, XRP Holders deny the underlying statement attributed to Defendant Garlinghouse, as XRP Holders have, since 2013, used XRP for cross-border payments.

363. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 363. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

364. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 364. Irrespective of any of the Defendants' efforts, strategies, and/or

statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

365. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 365. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

366. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 366. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants

prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

367. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 367. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

368. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 368. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the

XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

369. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 369. Irrespective of any of the Defendants' efforts, strategies, and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

370. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 370. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to,

usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

371. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 371 related to Ripple's public statements in July 2019. However, XRP Holders deny the underlying implication that "XRP has no significant use beyond investment." XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some

XRP Holders utilize XRP for cross-border payments between the United States and Mexico, Europe, the Philippines, Thailand, and other foreign countries.

372. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 372. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

373. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 373 related to specific Ripple sales of XRP. However, XRP Holders deny the allegation that XRP was resold "into the public markets to individual and entities "that had no use for XRP." XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business

model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

374. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 374. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to present for multiple purposes including but not limited to usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

375. XRP Holders deny the allegations in paragraph 375. Although XRP Holders did not purchase XRP directly from Defendants, they did purchase XRP in the secondary markets for consumptive use as well as for a substitute to fiat currency. XRP Holders

are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

376. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 376. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold

and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

377. XRP Holders deny the allegations in paragraph 377. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

378. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 378. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants

prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

379. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 379. However, upon information and belief, XRP Holders are aware of a settlement between Ripple, the DOJ and FinCEN, in which the DOJ and FinCEN referred to XRP as a “convertible virtual currency.”

380. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 380. Irrespective of any of the Defendants’ efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

381. The allegations in paragraph 381 are legal conclusions to which no response is required. To the extent that a response is necessary, XRP Holders deny the allegations as stated. XRP Holders use the term currency and money interchangeable. Any statutory distinction between the two makes no difference in determining whether XRP itself is a security. XRP does not have to be deemed a currency to not be deemed a security. Many of the XRP Holders' interest in XRP is not one as an investment but as an interest in XRP's operational utility and its utility as currency or money.

Regardless of the legal or sovereign definition of currency, there is no dispute that XRP acts as "money." And "[m]oney, in common parlance, is a medium of exchange – that is, a token that can be traded for goods or services." *U.S. v. Harmon*, No. 1:19-cr-00395-BAH, Doc. 59 at *14-15 (District of Columbia, Jul. 24, 2020). It is well settled that cryptocurrencies are considered money. "Bitcoin is just that – a medium of exchange, method of payment, and store of value . . . [and] can be used to pay for goods or services....[and] can also be exchanged for conventional currency." *Id.* at *15. The same exact statements equally apply to XRP – with the following caveat: XRP is one-thousand times faster, one-thousand times cheaper, and can handle 100 times more transactions per second and is better for the environment. Federal Courts have concluded that bitcoin qualifies as money under these ordinary definitions.⁷ See *U.S. v. Faiella*, 39 F. Supp. 3d 544, 545 (holding that bitcoin is "money" because it can be easily purchased in exchange for ordinary currency, acts as a denominator of value, and is used to conduct financial transactions."). In fact, the SEC itself has relied on the fact that bitcoin is a form of currency in prosecuting enforcement actions. In

SEC v. Shavers, 4:13-cv-00416, 2013 WL 4028182, at *2 (E.D. Tex., Aug. 6, 2013)

the Court stated:

It is clear that Bitcoin can be used as money. It can be used to purchase goods or services, and as *Shavers* stated, used to pay for individual living expenses. The only limitation on Bitcoin is that it is limited to those places that accept it as currency. It can also be exchanged for conventional currencies, such as the U.S. Dollar, Euro, Yen, and Yuan. Therefore, Bitcoin is a currency or form of money...

Every word of these statements can be equally stated about XRP. In fact, many XRP Holders use XRP to purchase and transfer Bitcoin and fiat currency on the XRPL utilizing XRP because of its speed and cost effectiveness. The Southern District of New York has likewise found that bitcoin and similar cryptocurrencies meet the definition of money. In *United States v. Ulbricht*, 31 F. Supp. 3d 540, 570 (S.D.N.Y. 2014) the Court defined “money” as an “object used to buy things.” XRP Holders acquired XRP because it performs as money and as a medium of exchange even superior to Bitcoin. Because XRP is substantially the same as Bitcoin, XRP itself cannot be a security. XRP Holders, however, acquired XRP due to XRP’s superior technology over Bitcoin as it pertains to payments. The Southern District Court has already established that “[t]he SEC, for example, does not contend that Bitcoins transferred on the Bitcoin blockchain are securities.” *SEC v Telegram Grp. Inc.*, 448 F. Supp 3d. 354, 358.

382. The allegations in paragraph 382 are legal conclusions to which no response is required. To the extent that a response is necessary, XRP Holders deny the allegations as stated. XRP Holders use the term currency and money interchangeable. Any statutory distinction between the two makes no difference in determining whether XRP itself is a security. XRP does not have to be deemed a currency to not be deemed a security. Many of the XRP Holders’ interest in XRP is not one as an investment but as an interest in XRP’s operational utility and its utility as currency or money.

Regardless of the legal or sovereign definition of currency, there is no dispute that XRP acts as “money.” And “[m]oney, in common parlance, is a medium of exchange – that is, a token that can be traded for goods or services.” *U.S. v. Harmon*, No. 1:19-cr-00395-BAH, Doc. 59 at *14-15 (District of Columbia, Jul. 24, 2020). It is well settled that cryptocurrencies are considered money. “Bitcoin is just that – a medium of exchange, method of payment, and store of value . . . [and] can be used to pay for goods or services....[and] can also be exchanged for conventional currency.” *Id.* at *15. The same exact statements equally apply to XRP – with the following caveat: XRP is one-thousand times faster, one-thousand times cheaper, and can handle 100 times more transactions per second and is better for the environment. Federal Courts have concluded that bitcoin qualifies as money under these ordinary definitions.⁸ See *U.S. v. Faiella*, 39 F. Supp. 3d 544, 545 (holding that bitcoin is “money” because it can be easily purchased in exchange for ordinary currency, acts as a denominator of value, and is used to conduct financial transactions.”). In fact, the SEC itself has relied on the fact that bitcoin is a form of currency in prosecuting enforcement actions. In *SEC v. Shavers*, 4:13-cv-00416, 2013 WL 4028182, at *2 (E.D. Tex., Aug. 6, 2013) the Court stated:

It is clear that Bitcoin can be used as money. It can be used to purchase goods or services, and as *Shavers* stated, used to pay for individual living expenses. The only limitation on Bitcoin is that it is limited to those places that accept it as currency. It can also be exchanged for conventional currencies, such as the U.S. Dollar, Euro, Yen, and Yuan. Therefore, Bitcoin is a currency or form of money...

Every word of these statements can be equally stated about XRP. In fact, many XRP Holders use XRP to purchase and transfer Bitcoin and fiat currency on the XRPL utilizing XRP because of its

speed and cost effectiveness. The Southern District of New York has likewise found that bitcoin and similar cryptocurrencies meet the definition of money. In *United States v. Ulbricht*, 31 F. Supp. 3d 540, 570 (S.D.N.Y. 2014) the Court defined “money” as an “object used to buy things.” XRP Holders acquired XRP because it performs as money and as a medium of exchange even superior to Bitcoin. Because XRP is substantially the same as Bitcoin, XRP itself cannot be a security. XRP Holders, however, acquired XRP due to XRP’s superior technology over Bitcoin as it pertains to payments. The Southern District Court has already established that “[t]he SEC, for example, does not contend that Bitcoins transferred on the Bitcoin blockchain are securities.” *SEC v Telegram Grp. Inc.*, 448 F. Supp 3d. 354, 358.

383. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 383 related to any specific sales by Defendants. However, XRP Holders deny the underlying allegation. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP’s superior speed and lower cost to purchase and move other assets such as

Bitcoin and Ether, as well as foreign fiat concurrencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States and Mexico, the Philippines, Thailand, and other foreign countries.

384. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 384 as to any statements by Defendants. However, XRP Holders deny the underlying claim that XRP was not a “currency.”

385. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 385 as to any statements by Defendants. However, XRP Holders deny the underlying claim that XRP was not a “currency.”

386. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 386 as to any statements by Defendants. However, XRP Holders deny the underlying claim that XRP was not a “currency.”

387. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 387 as to any statements by Defendants. However, XRP Holders deny the underlying claim that XRP was not a “currency.”

388. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 388. Irrespective of any of the Defendants’ efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold

and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

389. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 389. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

390. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 390. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring

those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

391. XRP Holders deny the allegations in paragraph 391. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

392. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 392. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the

XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

393. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 393. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

394. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 394 as to the contents of Ripple's public disclosures. XRP Holders deny the remaining allegations.

395. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 395. Irrespective of any of the Defendants' efforts, strategies and/or

statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

396. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 396 related to the content of the legal memos. However, XRP Holders deny the underlying allegation. XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly, some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as

Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States and Mexico, Europe, the Philippines, Thailand, and other foreign countries.

397. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 397 related to Defendant Larsen's understanding. However, XRP Holders deny the allegation as stated.

398. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 398. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

399. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 399 related to what warnings, if any, Defendant Larsen received. However, XRP Holders deny the underlying statement that XRP was not a "currency."

400. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 400 related to what warnings, if any, Defendant Larsen received; however, XRP Holders deny the underlying statement that XRP was not a “currency.”

401. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 401.

402. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 402 related to what the attorneys wrote, however, XRP Holders deny the underlying implication that XRP is not used as a currency.

403. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 403. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

404. The allegations in paragraph 404 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders lack sufficient information to either admit or deny the allegations.

405. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 405.
406. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 406.
407. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 407.
408. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 408.
409. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 409.
410. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 410.
411. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 411.
412. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 412.
413. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 413 as to the content of the interview. However, XRP Holders deny the implication that no sales of XRP were “with respect to any use of XRP.”
414. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 414.
415. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 415.

416. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 416.

417. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 417. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

418. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 418.

419. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 419.

420. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 420.

421. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 421 as to the contents of the speech. However, XRP Holders deny the allegation that "99.9% of all crypto-trading today is just speculation." XRP Holders are comprised of many different individuals, businesses and entities. Undoubtedly,

some XRP Holders purchased XRP for the purposes of speculative investment just as they have purchased Bitcoin and Ether. Some XRP Holders are simply users of XRP and XRPL, utilizing XRP for consumptive use. This includes utilizing XRP as a substitute for fiat currency for everyday purchases at Walmart, Amazon, Target and hundreds of other businesses. Some XRP holders are developers who use XRP operationally within their business model. Many XRP Holders acquired XRP, not as an investment but as a payment for goods and/or services rendered. Many XRP Holders receive XRP as micropayments for providing content on YouTube, Coil and other media outlets. Some XRP Holders utilize XRP and XRPL to tokenize non-fungible tokens. Some XRP Holders utilize XRP's superior speed and lower cost to purchase and move other assets such as Bitcoin and Ether, as well as foreign fiat currencies (i.e. Pesos, Euros, Yen). Some XRP Holders utilize XRP as a bridge currency to transfer one asset from one exchange to another. Some XRP Holders utilize XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

422. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 422. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat

currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

423. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 423. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

424. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 424. The price of XRP has historically been tied to and correlated with the price of the two larger cryptocurrencies, Bitcoin and Ether. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat

currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

425. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 425. Irrespective of any of the Defendants' efforts, strategies and/or statements, XRP Holders, many of whom had never even heard of the Defendants prior to purchasing, acquiring, or utilizing XRP, have been utilizing XRP and the XRPL from 2013 to the present. Multiple purposes include but are not limited to, usage as a bridge asset transferring value between different exchanges, conducting transactions on the DEX, trading between fiat currencies, purchasing tokenized gold and silver, purchasing other digital assets such as, Bitcoin and Ether and transferring those assets to digital exchanges and/or wallets, and utilizing XRP for cross-border payments between the United States, Mexico, Europe, the Philippines, Thailand, and other foreign countries.

426. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 426.

427. The allegations in paragraph 427 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders lack sufficient information to admit or deny the allegations.

428. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 428.

429. XRP Holders lack sufficient information to either admit or deny the allegations in paragraph 429.

430. XRP Holders incorporate by reference their responses to paragraphs 1 through 429.

431. The allegations in paragraph 431 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny these allegations as it pertains to any XRP acquired, purchased or utilized by XRP Holders.

432. The allegations in paragraph 432 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny these allegations as it pertains to any XRP acquired, purchased or utilized by XRP Holders.

433. The allegations in paragraph 433 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations as it pertains to any XRP acquired, purchased or utilized by XRP Holders.

434. The allegations in paragraph 434 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny these allegations as it pertains to any XRP acquired, purchased or utilized by XRP Holders.

435. The allegations in paragraph 435 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny these allegations as it pertains to any XRP acquired, purchased or utilized by XRP Holders.

436. XRP Holders incorporate by reference their responses to paragraphs 1 through 429.

437. The allegations in paragraph 437 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny these allegations as it pertains to any XRP acquired, purchased or utilized by XRP Holders.

438. The allegations in paragraph 438 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations as it pertains to any XRP acquired, purchased or utilized by XRP Holders.

439. The allegations in paragraph 439 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations as it pertains to any XRP acquired, purchased or utilized by XRP Holders.

440. The allegations in paragraph 440 are legal conclusions to which no response is required. To the extent that any response is necessary, XRP Holders deny the allegations as it pertains to any XRP acquired, purchased or utilized by XRP Holders.

441. Plaintiff's prayer for relief and judgment does not require a response, but to the extent that any response is necessary, XRP Holders deny that Plaintiff is entitled to the requested relief and judgment related to the XRP held, owned, acquired, purchased and/or utilized by XRP Holders.

442. XRP Holders admit that Plaintiff demands a trial by jury.

AFFIRMATIVE DEFENSES

XRP Holders allege, assert and state the following defenses as separate and distinct defenses to the Complaint. By virtue of alleging these further defenses, XRP Holders do not assume any burden of proof, persuasion, or production not otherwise legally assigned to them.

FIRST DEFENSE: FAILURE TO STATE A CLAIM

The Complaint fails to state a claim upon which relief may be granted.

SECOND DEFENSE: XRP ITSELF IS NOT A SECURITY AS A MATTER OF LAW

XRP is not inherently an investment contract. Under *Howey* and *Telegram*, it is well settled that the underlying instrument and/or asset does not constitute a security *per se*. XRP Holders did not enter into a common enterprise with the Defendants nor did they rely on any efforts, strategies, and/or statements of the Defendants. Although some XRP Holders purchased XRP for the purposes of investment, many XRP Holders acquired and/or purchased XRP for consumptive use and as a substitute for fiat currency.

THIRD DEFENSE: LACK OF DUE PROCESS AND FAIR NOTICE

XRP Holders, as well as all other market participants, reasonably believed that XRP did not fall under the regulatory authority of the SEC. XRP Holders reasonably believe that XRP would be treated and classified as a non-security just like Bitcoin and Ether. XRP Holders were notified directly by the SEC as late as October 2020 that the SEC had not and may never determine XRP to be a security. Prior to the SEC's Complaint, XRP and all other market participants transacted in XRP believing it was not an investment contract for over seven years. XRP was traded on over 200 exchanges; billions of dollars in XRP were being bought and sold each month; numerous market makers engaged in daily XRP transactions; and XRP was used in third-party products, many of which were developed independent of Ripple. In short, there was no fair notice to the market that transactions in XRP violated the law or that the SEC would later claim XRP itself to be an investment contract. XRP Holders reasonably relied on DOJ and FinCEN's categorization of XRP as convertible virtual currency. The U.S. Government permitted the continuous sale and use of XRP, including in secondary markets by the general public for over five years from the Government's settlement with Ripple. The SEC allowed Ripple to purchase a minority stake in MoneyGram knowing full well that Ripple would distribute XRP to MoneyGram, which in turn

would sell XRP in the secondary market to the general public, including XRP Holders. The SEC engaged in an aggressive campaign against companies in the cryptocurrencies industry over initial coin offerings, yet, allowed Ripple to continue the sale and distribution of XRP to intermediaries that in turn sold to the general public, including XRP Holders. Senior officials from the SEC publicly commented that the similar cryptocurrencies, Bitcoin and Ether were not securities. Upon information and belief, digital exchanges sought guidance and met with senior staff at the SEC as late as 2019 regarding the listing of XRP. The SEC did not discourage the exchanges from listing XRP, which would be sold to the general public, including XRP Holders. Financial wealth and investment firms informed the SEC that the only cryptocurrencies it would allow its employees to trade were Bitcoin, Ether, and XRP because they were generally accepted as non-securities by the SEC. Senior staff of the SEC, including its chairman made statements acknowledging that an asset itself is not inherently a security. Senior staff of the SEC gave public statements that sufficiently decentralized networks similar to XRP's network were not considered securities even if at an earlier time they were. During the last eight years, XRP has not only been purchased as an investment, it has been acquired with the intent of consumptive use including but not limited to as a substitute for fiat currency. During the last eight years, XRP has been utilized by XRP Holders as a form of currency or money, used for daily purchases and accepted at hundreds of businesses as a form of payment. XRP Holders have been receiving their payroll earnings in XRP and have retirement accounts nominated in XRP and not fiat currency.

**FOURTH DEFENSE: THE SEC HAS NO AUTHORITY TO REGULATE
CRYPTOCURRENCY GENERALLY AND XRP SPECIFICALLY**

Bitcoin and Ether have been deemed commodities. All cryptocurrencies similar to Bitcoin, Ether and XRP are, by their nature, not securities and are either alternative forms of currency or

commodities. As such, the SEC lacks any jurisdictional authority to pursue claims related to these digital assets.

FIFTH DEFENSE: STATUTE OF LIMITATIONS

Plaintiff claims that XRP itself constitutes and investment contract is barred by the applicable statute of limitations.

RESERVATION OF RIGHTS

XRP Holders presently have insufficient knowledge or information upon which to form a belief as to whether there may be other, as yet unstated, defenses available to XRP Holders, and therefore expressly reserve, in accordance with applicable law, the right to amend or supplement their Answer, defenses and all other pleadings, and the right to assert any other additional and further defenses as appropriate, including defenses that may be revealed by discovery or otherwise.

Dated: April 19, 2021

THE DEATON LAW FIRM

By: /s/ John E. Deaton

John E. Deaton

450 N. Broadway
East Providence, RI 02914
401-351-6400
[All-deaton@deatonlawfirm.com](mailto>All-deaton@deatonlawfirm.com)
*Attorney for Intervenor-Defendants,
XRP Holders*